

Message Text

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ACTION EUR-12

INFO OCT-01 IO-13 ISO-00 AGRE-00 CIAE-00 COME-00 EB-08
INR-07 LAB-04 NSAE-00 SP-02 STR-06 TRSE-00 FRB-03
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FM AMEMBASSY BRUSSELS
TO SECSTATE WASHDC 4438
INFO USMISSION GENEVA

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USEEC

GENEVA FOR PHELAN AND ALSO FOR USMTN

E.O.11652:N/A
TAGS: ETRD, EEC
SUBJECT: TEXTILES: RULES OF ORIGIN

REF: BRUSSELS 16299

1. IN CONVERSATION WITH MISSION OFFICER JANUARY 20
EC OFFICIAL IN CHARGE OF RULES OF ORIGIN QUESTIONS,
BRIX KNUDSEN STATED THAT COMMISSION PROPOSAL ON RULES
OF ORIGIN FOR TEXTILE PRODUCTS IMPORTED FROM NON-EFTA
AND NON-ASSOCIATED STATES HAD HAD PRELIMINARY DISCUSSION
WITH MEMBER STATES AND THAT VERY FEW OBJECTIONS HAD
SURFACED. (PROPOSAL TRANSMITTED TO STR SMITH, EB ST. JOHN,
AND GENEVA PHELAN ON DECEMBER 27, 1977). UNLESS APPROVED
EARLIER BY COUNCIL, RULES WILL BE PROMULGATED BY
COMMISSION ON MARCH 20. KNUDSEN DESCRIBED THE RULES,
WHICH WILL REPLACE EARLIER AND LESS SPECIFIC RULES, AS
BEING MODELED AFTER EFTA RULES OF ORIGIN IN MANY
RESPECTS EXCEPT THAT THEY WILL REQUIRE ONLY ONE, RATHER
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THAN TWO TRANSFORMATIONS IN ORDER TO CONFER ORIGIN.

2. KNUDSEN ALSO STATED THAT A DECLARATION OF ORIGIN
SYSTEM IS UNDER CONSIDERATION TO ACCOMPANY NEW RULES
(PROPOSAL BEING POUCHED TO SAME ADDRESSEES). THIS
PROPOSAL CALLS FOR ORIGIN CERTIFICATE TO BE ISSUED FOR
GOODS FALLING IN GROUPS I AND II, THE MOST SENSITIVE

CATEGORIES OF THE EC BILATERAL TEXTILE AGREEMENTS. GOODS IN OTHER CATEGORIES WILL ONLY BE REQUIRED TO HAVE A DECLARATION OF ORIGIN, WHICH COULD ACCOMPANY OR BE PART OF THE INVOICE, WHICH HE THOUGHT WOULD BE MUCH SIMPLER. (KNUDSEN SAID THAT HIS THINKING ON THE DECLARATION HAD BEEN STRONGLY INFLUENCED BY US IDEAS ON THE ORIGIN DECLARATION FOR CHROME ON WHICH HE HAD CONSULTED WITH US OFFICIALS). ORIGIN DECLARATION HAD BEEN SCHEDULED TO GO INTO EFFECT APRIL 1 BUT A MAY 1 DATE IS NOW MORE LIKELY IN ORDER TO GIVE THE TRADE AN OPPORTUNITY TO BECOME FAMILIAR WITH THE SYSTEM. PURPOSE OF THE NEW RULES AND DECLARATION CERTIFICATE IS TO GUARD AGAINST THE POSSIBILITY OF A SHIFT IN PRODUCTION FROM LDC'S WITH RESTRICTED ACCESS, THROUGH BILATERAL AGREEMENTS, TO NEW PRODUCERS. KNUDSEN INVITED US GOVERNMENT COMMENT ON COMMISSION PROPOSALS BEFORE THEY BECOME EFFECTIVE.

3. WITH RESPECT TO EC-EFTA RULES OF ORIGIN, KNUDSEN CONFIRMED THAT FOR THE PRESENT TIME THESE WILL NOT BE CHANGED FOR TEXTILES. HOWEVER, BECAUSE OF TEXTILE IMPORT PROBLEMS, THEY WILL INCREASINGLY BE ENFORCED BY THE MEMBER STATES. IN ALL CASES, THESE RULES REQUIRE TWO, NOT ONE, TRANSFORMATIONS IN ORDER TO CONFER ORIGIN. IN RESPONSE TO INQUIRY, KNUDSEN CONFIRMED THAT THE MAKING UP OF A FABRIC, SUCH AS LIMITED OFFICIAL USE

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DENIM, INTO A GARMENT WOULD NOT BE SUFFICIENT TO CONFER ORIGIN IN AN EFTA COUNTRY (WHEREAS IT WOULD IN A NON-ACP DEVELOPING COUNTRY UNDER THE COMMISSION PROPOSAL). MISSION OFFICER INDICATED THAT RIGID ENFORCEMENT OF EC-EFTA ORIGIN RULES ON TEXTILES IS LIKELY TO CAUSE TRADE PROBLEM AND INCREASE US DISSATISFACTION WITH EC-EFTA RULES. HINTON

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Message Attributes

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Capture Date: 01 jan 1994
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Current Classification: UNCLASSIFIED
Concepts: TEXTILES
Control Number: n/a
Copy: SINGLE
Draft Date: 24 jan 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
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Disposition Remarks:
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Format: TEL
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ISecure: 1
Legacy Key: link1978/newtext/t19780131/aaaaazqa.tel
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TAGS: ETRD, EEC
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